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8                   **UNITED STATES DISTRICT COURT**  
9                   **SOUTHERN DISTRICT OF CALIFORNIA**

10 KATIE SIMPSON, on behalf of  
11 herself and all others similarly  
situated,

12                   Plaintiff,

13                 vs.

14                 CALIFORNIA PIZZA KITCHEN,  
15                 INC. and NESTLÉ USA, INC.,

16                 Defendants.

CASE NO. 13-cv-164 JLS (JMA)

**ORDER GRANTING WITHOUT  
PREJUDICE DEFENDANTS'  
MOTION TO DISMISS  
PLAINTIFF'S AMENDED  
COMPLAINT**

(ECF No. 20)

17                 Presently before the Court is Defendants California Pizza Kitchen, Inc. and  
18 Nestlé USA, Inc.'s ("Defendants") motion to dismiss Plaintiff's amended complaint  
19 (Mot. to Dismiss ("MTD"), ECF No. 20.) Also before the Court are Plaintiff Katie  
20 Simpson's ("Plaintiff") response in opposition to Defendants' MTD (Resp. in Opp'n  
21 to MTD, ECF No. 26) and Defendants' reply in support of their MTD (Reply in Supp.  
22 of ("ISO") MTD, ECF No. 29). The hearing set for June 6, 2013 was vacated and the  
23 matter taken under submission without oral argument pursuant to Civil Local Rule  
24 7.1.d.1. Having considered the parties' arguments and the law, the Court **GRANTS**  
25 Defendants' motion and **DISMISSES** the FAC **WITHOUT PREJUDICE**.

26                   **BACKGROUND**

27                 On January 21, 2013, Plaintiff filed a class action against Defendants, alleging  
28 claims of public nuisance and unfair and unlawful business practices premised upon

1 Defendants' use of artificial trans fatty acids ("TFAs")—specifically, partially  
2 hydrogenated vegetable oil ("PHVO")—in certain of their frozen pizza products  
3 ("Contested Pizzas") when safer alternatives are available. (Compl. at ¶ 3, ECF No. 1.)  
4 PHVO "is manufactured via an industrial process called partial hydrogenation, in which  
5 hydrogen atoms are added to normal vegetable oil by heating the oil to temperatures  
6 above 400 degrees Fahrenheit in the presence of ion donor catalyst metals such as  
7 rhodium, ruthenium, and nickel." (First Am. Compl. ("FAC") at ¶ 12, ECF No. 13.)  
8 Plaintiff alleges that there is "'no safe level' of artificial trans fat intake" (*Id.* at ¶ 3), and  
9 that consumption of TFAs increases the likelihood of developing certain illnesses and  
10 health risks, including cardiovascular disease (*Id.* at ¶¶ 30-40); type-2 diabetes (*Id.* at  
11 ¶¶ 41-45); breast, prostate, and colorectal cancer (*Id.* at ¶¶ 46-51); Alzheimer's Disease  
12 (*Id.* at ¶¶ 52-56); and damage to the vital organs (*Id.* at ¶ 57).

13 Defendants moved to dismiss the complaint. (First MTD, ECF No. 11). On  
14 March 26, 2013, Plaintiff amended her complaint to assert the additional claim of  
15 breach of the implied warranty of merchantability. (FAC, ECF No. 13.) On April 12,  
16 2013, Defendants filed the present motion.

## 17 STANDARD OF REVIEW

### 18 I. Rule 12(b)(1)

19 Federal courts are courts of limited jurisdiction, and as such have an obligation  
20 to dismiss claims for which they lack subject-matter jurisdiction. *Demarest v. United*  
21 *States*, 718 F.2d 964, 965 (9th Cir. 1983). Because the issue of standing pertains to the  
22 subject-matter jurisdiction of a federal court, motions raising lack of standing are  
23 properly brought under Federal Rule of Civil Procedure 12(b)(1). *White v. Lee*, 227  
24 F.3d 1214, 1242 (9th Cir. 2000). The plaintiff bears the burden of establishing he has  
25 standing to bring the claims asserted. *Takhar v. Kessler*, 76 F.3d 995, 1000 (9th Cir.  
26 1996); *see also In re Dynamic Random Access Memory (DRAM) Antitrust Litig.*, 546  
27 F.3d 981, 984 (9th Cir. 2008) ("The party asserting jurisdiction bears the burden of  
28 establishing subject matter jurisdiction on a motion to dismiss for lack of subject matter

1 jurisdiction.”).

2 Rule 12(b)(1) motions may challenge jurisdiction facially or factually. *Safe Air*  
3 *for Everyone v. Meyer*, 373 F.3d 1035, 1039 (9th Cir. 2004). “In a facial attack, the  
4 challenger asserts that the allegations contained in a complaint are insufficient on their  
5 face to invoke federal jurisdiction. By contrast, in a factual attack, the challenger  
6 disputes the truth of the allegations that, by themselves, would otherwise invoke federal  
7 jurisdiction.” *Id.* Here, Defendants’ challenge is facial because it disputes whether  
8 Plaintiff has alleged harm sufficiently particularized to confer Article III standing. To  
9 adjudicate this facial challenge, the Court will assume the truth of Plaintiff’s factual  
10 allegations, and draw all reasonable inferences in favor of Plaintiff. *Whisnant v. United*  
11 *States*, 400 F.3d 1177, 1179 (9th Cir. 2005); *Safe Air for Everyone*, 373 F.3d at 1039.

12 **II. Rule 12(b)(6)**

13 Federal Rule of Civil Procedure 12(b)(6) permits a party to raise by motion the  
14 defense that the complaint “fail[s] to state a claim upon which relief can be granted,”  
15 generally referred to as a motion to dismiss. The Court evaluates whether a complaint  
16 states a cognizable legal theory and sufficient facts in light of Federal Rule of Civil  
17 Procedure 8(a), which requires a “short and plain statement of the claim showing that  
18 the pleader is entitled to relief.” Although Rule 8 “does not require ‘detailed factual  
19 allegations,’ . . . it [does] demand[] more than an unadorned, the-defendant-unlawfully-  
20 harmed-me accusation.” *Ashcroft v. Iqbal*, 556 U.S. 662, 678 (2009) (quoting *Bell Atl.*  
21 *Corp. v. Twombly*, 550 U.S. 544, 555 (2007)). In other words, “a plaintiff’s obligation  
22 to provide the ‘grounds’ of his ‘entitle[ment] to relief’ requires more than labels and  
23 conclusions, and a formulaic recitation of the elements of a cause of action will not do.”  
24 *Twombly*, 550 U.S. at 555 (citing *Papasan v. Allain*, 478 U.S. 265, 286 (1986)). “Nor  
25 does a complaint suffice if it tenders ‘naked assertion[s]’ devoid of ‘further factual  
26 enhancement.’” *Iqbal*, 556 U.S. at 678 (citing *Twombly*, 550 U.S. at 557).

27 “To survive a motion to dismiss, a complaint must contain sufficient factual  
28 matter, accepted as true, to ‘state a claim to relief that is plausible on its face.’” *Id.*

1 (quoting *Twombly*, 550 U.S. at 570); *see also* Fed. R. Civ. P. 12(b)(6). A claim is  
2 facially plausible when the facts pled “allow[] the court to draw the reasonable  
3 inference that the defendant is liable for the misconduct alleged.” *Id.* (citing *Twombly*,  
4 550 U.S. at 556). That is not to say that the claim must be probable, but there must be  
5 “more than a sheer possibility that a defendant has acted unlawfully.” *Id.* Facts  
6 “merely consistent with” a defendant’s liability fall short of a plausible entitlement to  
7 relief. *Id.* (quoting *Twombly*, 550 U.S. at 557). Further, the Court need not accept as  
8 true “legal conclusions” contained in the complaint. *Id.* at 678-79. This review requires  
9 context-specific analysis involving the Court’s “judicial experience and common  
10 sense.” *Id.* at 679 (citation omitted). “[W]here the well-pleaded facts do not permit the  
11 court to infer more than the mere possibility of misconduct, the complaint has  
12 alleged—but it has not ‘show[n]’—‘that the pleader is entitled to relief.’” *Id.* The  
13 Court will grant leave to amend unless it determines that no modified contention  
14 “consistent with the challenged pleading . . . [will] cure the deficiency.” *DeSoto v.*  
15 *Yellow Freight Sys., Inc.*, 957 F.2d 655, 658 (9th Cir. 1992) (quoting *Schriber Distrib.*  
16 *Co. v. Serv-Well Furniture Co.*, 806 F.2d 1393, 1401 (9th Cir. 1986)).

## 17 ANALYSIS

### 18 I. Motion to Dismiss

19 Defendants move to dismiss on the grounds that Plaintiff lacks Article III  
20 standing (MTD 22-24, ECF No. 20), that Plaintiff cannot sue for products that she never  
21 purchased (*Id.* at 24-25), that Plaintiff’s claims are preempted by federal law (*Id.* at 5-  
22 15), that the primary jurisdiction doctrine applies (*Id.* at 15-17), and that Plaintiff fails  
23 to allege sufficient facts to support her claims (*Id.* at 17-22). The Court addresses each  
24 argument in turn.

#### 25 A. Article III Standing

26 It is axiomatic that under Article III of the United States Constitution, a federal  
27 court may only adjudicate an action if it constitutes a justiciable “case” or a  
28 “controversy” that has real consequences for the parties. *Raines v. Byrd*, 521 U.S. 881,

1 818 (1997); *Lujan v. Defenders of Wildlife*, 504 U.S. 555, 560 (1992). One of the  
2 baseline requirements for justiciability in federal court is that the plaintiff have standing  
3 to assert the claims brought. *Id.*; see also *DaimlerChrysler Corp. v. Cuno*, 547 U.S.  
4 332, 342 (2006) (“Article III standing enforces the Constitution’s case-or-controversy  
5 requirement”) (citations omitted). As the sole proposed class representative,<sup>1</sup> Plaintiff  
6 has the burden of showing that Article III standing exists here. *Ellis v. Costco*  
7 *Wholesale Corp.*, 657 F.3d 970, 978 (9th Cir. 2011).

8 The essence of the standing inquiry is to determine whether the party seeking to  
9 invoke the Court’s jurisdiction has “alleged such a personal stake in the outcome of the  
10 controversy as to assure that concrete adverseness which sharpens the presentation of  
11 issues upon which the court so largely depends.” *Baker v. Carr*, 369 U.S. 186, 204  
12 (1962). Three elements form the core, essential, or unchanging part of the standing  
13 requirement, derived directly from Article III and famously articulated as follows:

14 First, the plaintiff must have suffered an “injury in fact”—an invasion of  
15 a legally protected interest which is (a) concrete and particularized, and (b)  
16 actual or imminent, not conjectural or hypothetical. Second, there must be  
17 a causal connection between the injury and the conduct complained  
18 of—the injury has to be fairly traceable to the challenged action of the  
defendant, and not . . . the result of the independent action of some third  
party not before the court. Third, it must be likely, as opposed to merely  
speculative, that the injury will be redressed by a favorable decision.

19 *Lujan*, 504 U.S. at 560-61 (internal quotation marks, citations, and footnote omitted).  
20 This irreducible constitutional minimum, often termed “Article III standing,” seeks to  
21 limit the reach of the judiciary into matters properly reserved for other branches of  
22 government and to maintain the critical balance of power at the heart of the tripartite  
23 government established by the Constitution. See *DaimlerChrysler*, 547 U.S. at 341; see  
24 also *Valley Forge Christian Coll. v. Ams. United for Separation of Church & State,*  
25 Inc., 454 U.S. 464, 474 (1982). Although the Supreme Court has noted that “the  
26 concept of ‘Art. III standing’ has not been defined with complete consistency,” *Valley*  
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28 <sup>1</sup> In a class action, only one named plaintiff must meet the requirements of Article III standing. *Bates v. United Parcel Serv., Inc.*, 511 F.3d 974, 985 (9th Cir. 2007).

1     *Forge*, 454 U.S. at 475, these three “bedrock” requirements of injury, causation, and  
2 redressability are uniformly essential to federal court jurisdiction. *Raines*, 521 U.S. at  
3 818-20; *see also Bennett v. Spear*, 520 U.S. 154, 164-66 (1997).

4         Here, Defendants object to Plaintiff’s standing on the basis of the injury prong.  
5 “Among cases involving allegations of contaminated foods and pharmaceuticals,  
6 plaintiffs typically rely on two types of injuries to confer standing: (1) the increased risk  
7 of harm from exposure to a dangerous substance, and (2) the financial loss from  
8 purchasing a product in reliance on false or misleading information.” *Arroyo v.*  
9 *Chattem, Inc.*, No. V 12-2129 CRB, 2012 WL 5412295, at \*3 (N.D. Cal. Nov. 6, 2012).

10         First, to establish increased risk of harm, Plaintiff must show that there is both  
11 “(i) a substantially increased risk of harm and (ii) a substantial probability of harm with  
12 that increase taken into account.” *Herrington v. Johnson & Johnson Consumer Cos.*,  
13 No. 09-CV-3317 (DMC), 2010 WL 421091, at \*3 (D.N.J. Feb. 1, 2010) (citing *Nat’l*  
14 *Highway Traffic Safety Admin.*, 489 F.3d 1279, 1295 (D.C. Cir. 2007)). Plaintiff  
15 alleges in her FAC that she bought the Contested Pizzas “approximately five times in  
16 the past year.” (FAC ¶ 59, ECF No. 13.) While Plaintiff does present significant  
17 evidence of the harmful effects of prolonged consumption of TFAs, she does not allege  
18 facts tending to show that such isolated instances of TFA consumption are sufficient to  
19 cause the enumerated harmful effects. Thus, based on the allegations in the FAC, this  
20 Court is not convinced that consuming TFAs five times over the period of a year  
21 represents a substantial increased risk of harm, much less that the probability of that  
22 harm is substantial.

23         Second, an economic injury typically requires a loss of the plaintiff’s benefit of  
24 the bargain, such as by overpayment, loss in value, or loss of usefulness. *Herrington*,  
25 2010 WL 421091 at \* 4. Plaintiff alleges that she paid for, and therefore lost money  
26 due to her purchase of, the Contested Pizzas. (FAC ¶ 73, ECF No. 13.) She also,  
27 however, consumed the pizzas. (*Id.* ¶ 95.) Consumption is the purpose for which one  
28 purchases frozen foods. Thus, Plaintiff received the benefit of her bargain from the

1 purchase of the Contested Pizzas. Moreover, Plaintiff's purchases were not made on  
2 the basis of false or misleading information, as the fact that the Contested Pizzas  
3 contained TFAs was explicitly divulged in the nutrition facts panel on each box. (MTD  
4 Exs. 1-25, ECF No. 20.) Therefore, having not alleged any advertising or wording on  
5 the product that may have misled Plaintiff into believing that the Contested Pizzas were  
6 free of TFAs, Plaintiff has not alleged an injury premised on economic loss due to  
7 misleading information.

8 Accordingly, Defendant's motion to dismiss for lack of standing is **GRANTED**.<sup>2</sup>  
9 Even though the Court dismisses Plaintiff's FAC for lack of standing, in order to  
10 provide guidance for any amended pleadings, it evaluates whether Plaintiff has  
11 sufficiently pleaded her claims.

12 **B. Federal Preemption**

13 Under the Supremacy Clause of the U.S. Constitution, any conflict between  
14 federal and state law is to be resolved in favor of federal law. U.S. CONST. art VI, cl.  
15 2 (stating that “the Laws of the United States . . . shall be the supreme Law of the  
16 Land”). Preemption can be either express or implied. A state law is expressly  
17 preempted if Congress states such an intent in express terms. *Hillsborough Cnty. v.*  
18 *Automated Med. Labs., Inc.*, 471 U.S. 707, 713 (1985). A state law is impliedly  
19 preempted either if Congress legislates in a particular field so extensively that it leaves  
20 no room for concurrent state regulation or if Congress expresses a sufficiently dominant  
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22 <sup>2</sup>At this stage in the litigation, the Court agrees with Plaintiff that she has  
23 standing to sue for products she never purchased because she is asserting her claims on  
24 behalf of a purported nationwide class and the products in question—frozen pizzas—are  
25 sufficiently similar to the products Plaintiff purchased. *See Astiana v. Dreyer's Grand*  
26 *Ice Cream, Inc.* C-11-2910 EMC, 2012 WL 2990766, at \*13 (N.D. Cal. July 20, 2012)  
27 (stating that “the critical inquiry seems to be whether there is sufficient similarity  
28 between the products purchased and not purchased,” and finding relevant such factors  
as whether the products are of the same kind and whether the products contain many of  
the same ingredients); *see also Colucci v. ZonePerfect Nutrition Co.*, No. 12-2907-SC,  
2012 WL 6737800, at \*4 (N.D. Cal. Dec. 28, 2012) (finding twenty varieties of  
nutrition bars sufficiently similar); *cf. Miller v. Ghirardelli Chocolate Co.*, 912 F. Supp.  
2d 861, 869 (N.D. Cal. 2012) (finding white chocolate baking chips, confectionary  
baking wafers, ground white chocolate flavor, mocha mix, and frappe mix not  
sufficiently similar).

1 federal interest. *Id.* (citations omitted). Even if Congress does not expressly or  
2 impliedly preempt state law in a given area, “state law is nullified to the extent that it  
3 actually conflicts with federal law”—for instance, as a result of the impossibility of  
4 satisfying both laws, or because the state law impedes known congressional purposes  
5 and objectives. *Id.* (citations omitted).

6 “[T]he purpose of Congress is the ultimate touchstone in every pre-emption  
7 case.” *Wyeth v. Levine*, 555 U.S. 555, 564 (2009) (citation omitted) (internal quotation  
8 marks omitted). Furthermore, there is a presumption that “field[s] which the States  
9 have traditionally occupied” are not preempted unless such is Congress’s clear purpose.  
10 *Id.* (citation omitted) (internal quotation marks omitted).

The FDA’s mission is to “promote the public health by promptly and efficiently reviewing clinical research and taking appropriate action on the marketing of regulated products in a timely manner,” and to “protect the public health by ensuring that foods are safe, wholesome, sanitary, and properly labeled.” 21 U.S.C. § 393(1), (2)(A). In the interest of promulgating nationally uniform labeling, the FDA claims the sole power to establish various food labeling requirements. *See* 21 U.S.C. § 343-1.

Plaintiff's claims are not concerned with labeling, however, but rather the healthfulness of TFAs and whether they should be permitted in frozen foods. The very fact that California and other states and cities have passed laws banning or severely restricting the use of TFAs in restaurants and other establishments located within their borders<sup>3</sup> proves that the FDA does not possess the exclusive authority to regulate foodstuffs and suggests that states could therefore plausibly regulate the TFA content of frozen foods.<sup>4</sup> Accordingly, the Court **DENIES** Defendants' motion to dismiss on

<sup>3</sup>See, e.g., Cal. Health & Safety Code § 114377; New York City Health Code § 81.08; Philadelphia Health Code § 6-307.

<sup>27</sup> 28       <sup>4</sup>Then again, whether such regulation would constitute a violation of the dormant Commerce Clause is another matter entirely. See, e.g., *Hughes v. Alexandria Scrap Corp.*, 426 U.S. 794, 805-06 (1976).

<sup>5</sup> preemption grounds.

### **C. Public Nuisance under California Civil Code §§ 3479-93**

A public nuisance is “[a]nything which is injurious to health, or is indecent, or offensive to the senses, . . . so as to interfere with the comfortable enjoyment of life or property by an entire community or neighborhood, or by any considerable number of persons.” Cal. Penal Code § 370. In order to state a cause of action for public nuisance under Cal. Civ. Code § 3493,

a plaintiff must allege that a defendant created (or had active involvement in creating) a condition that was harmful to health or interfered with the comfortable enjoyment of life or property; that the condition affected a substantial number of people at the same time; that an ordinary person would be reasonably annoyed or disturbed by the condition; that the seriousness of the harm outweighs the social utility of the defendants' conduct; that the plaintiff did not consent to the conduct; that the plaintiff suffered harm that was different from the type of harm suffered by the general public; and that the defendant's conduct was a substantial factor in causing the plaintiff's harm.

*Gregory Vill. Partners, L.P . v. Chevron U.S.A., Inc.*, 805 F. Supp. 2d 888, 901 (N.D. Cal. 2011) (citation omitted).

The “different” harm plaintiff must allege in order to demonstrate standing to bring an action sounding in public nuisance requires that he “show special injury to himself of a character different **in kind—not merely in degree**—from that suffered by the general public.” *Institoris v. City of Los Angeles*, 210 Cal. App. 3d 10, 20 (1989) (emphasis added). This requirement of a different harm stems from the belief that, because a public nuisance action concerns a wrong against the community, it is “ordinarily properly left to the appointed representative of the community.” *Venuto v. Owens-Corning Fiberglas Corp.*, 22 Cal. App. 3d 116, 123 (1971) (citations omitted).

Plaintiff alleges that she “suffered specific physical and emotional harm from Defendants’ conduct when she consumed Defendants’ Trans Fat Pizzas.” (FAC ¶ 95,

<sup>5</sup>Because the Court finds that Plaintiff's claims are not preempted by federal law, the Court finds Defendants' argument based on the primary jurisdiction doctrine inapposite. Whether Plaintiff's claims present issues better suited to determination by a state legislature or agency rather than the courts, however, is a different question altogether.

1 ECF No. 13.) Plaintiff states that she suffered physical injury, because “consuming  
2 artificial trans fat in any quantity” causes bodily harm. (*Id.* ¶ 70.) She also claims that  
3 she lost money as a result of buying the Contested Pizzas. (*Id.* ¶ 73.) Plaintiff alleges  
4 that her “emotional harm” is ongoing due to the knowledge that “she injured her  
5 children” by feeding them the Contested Pizzas. (*Id.* ¶ 95.)

6 These allegations fail to establish, however, that Plaintiff suffered a different kind  
7 of harm than other consumers of the Contested Pizzas. TFAs are not uniquely harmful  
8 to Plaintiff, but rather constitute a general health hazard to anyone who consumes them.  
9 All consumers who have purchased the Contested Pizzas have “lost money” by that act  
10 in the same manner that Plaintiff did. And doubtless many other parents have fed their  
11 children the Contested Pizzas (and likely would feel upset to know about the health  
12 consequences detailed in the FAC). Because Plaintiff has failed to allege sufficient  
13 facts to demonstrate a special injury, she lacks standing to bring her public nuisance  
14 claim. Accordingly, the Court **GRANTS** Defendants’ motion to dismiss Plaintiff’s  
15 public nuisance claim.<sup>6</sup>

16 **D. California Unfair Competition Law**

17 Under California’s unfair competition law (“UCL”), “unfair competition shall  
18 mean and include any unlawful, unfair or fraudulent business act.” Cal. Bus. & Prof.  
19 Code § 17200.

20 (i) *Claims Under the “Unlawful” Prong*

21 (a) Public Nuisance

22 Plaintiff alleges that Defendants’ TFA usage in the Contested Pizzas is a public  
23 nuisance under Cal. Civ. Code §§ 3479-93 and thus is unlawful conduct under the UCL.  
24 The Court has found that Defendants’ TFA usage in the Contested Pizzas is not a public  
25 nuisance, however, and therefore it cannot be a violation of Cal. Civ. Code §§ 3479-93.

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27         <sup>6</sup>Although this claim is dismissed without prejudice, this Court expresses some  
28 doubt as to the compatibility of a public nuisance claim with the class action vehicle,  
as by definition a class representative who suffers harm different in kind than other  
class members would also not have claims typical of the class’s claims.

1 Accordingly, the Court **GRANTS** Defendants' motion to dismiss this claim.

2 (b) Violation of Cal. Health & Safety Code § 110545

3 Plaintiff also alleges that Defendants' usage of TFAs violates California's Health  
4 and Safety Code and therefore constitutes unlawful conduct under the UCL. Cal.  
5 Health & Safety Code § 110555 states that “[a]ny food is adulterated if it is, bears, or  
6 contains any food additive that is unsafe within the meaning of Section 110445.” Cal.  
7 Health & Safety Code § 110545 states that “[a]ny food is adulterated if it bears or  
8 contains any poisonous or deleterious substance that may render it injurious to health  
9 of man or any other animal that may consume it.”

10 Plaintiff characterizes PHVO as a food additive and provides pages of  
11 information on the health risks associated with TFA consumption in the hopes of  
12 classifying TFAs as “poisonous or deleterious” (and, therefore, the Contested Pizzas as  
13 unlawfully adulterated). (FAC ¶¶ 3, 17-57, ECF No. 13.) TFAs are “generally  
14 regarded as safe” (“GRAS”),<sup>7</sup> however. By definition, something that is “generally  
15 regarded as safe” cannot at the same time be “not safe for human consumption.”  
16 Moreover, GRAS substances are exempt from food additive status for the purpose of  
17 a food adulteration claim. *See* 21 U.S.C. § 321(s)(4); *see also* Cal. Health & Safety  
18 Code § 109940. Thus, the addition of TFAs to the Contested Pizzas does not constitute  
19 adulteration of food.

20 Furthermore, if merely being unhealthy were synonymous with “adulterated,” the  
21 sale of a wide variety of food items currently available for consumption would be  
22 considered unlawful. (*See* Reply ISO MTD App. A, ECF No. 29.) This Court declines  
23 to make such a sweeping determination. Accordingly, Defendants have not violated the

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25 <sup>7</sup>GRAS status is achieved either through an FDA approval process based on  
26 scientific procedures or through “[g]eneral recognition of safety through experience  
27 based on common use in food prior to January 1, 1958.” 21 C.F.R. § 170.30 (1997).  
28 PHVO was invented in 1901 (FAC ¶ 13, ECF No. 13), and TFAs were commonly used  
in food prior to 1958. (MTD 7, ECF No. 20.) That the FDA has regulated the labeling  
requirements of TFAs under 21 C.F.R. § 101.4(b)(14), rather than banning their use,  
while also allowing certain TFAs that were voluntarily submitted to the FDA approval  
process to be listed explicitly as GRAS, provides further corroboration of TFAs’ GRAS  
status. (*Id.* at 10-11.)

1 California Health and Safety Code, and the Court **GRANTS** Defendants' motion to  
2 dismiss this claim.

3 (ii) *"Unfair" Prong*

4 Under the UCL, “[a]n act or practice is unfair if the consumer injury is  
5 substantial, is not outweighed by any countervailing benefits to consumers or to  
6 competition, and is not an injury the consumers themselves could reasonably have  
7 avoided.” *Daugherty v. Am. Honda Motor Co., Inc.*, 144 Cal. App. 4th 824, 839 (2006)  
8 (citing *Camacho v. Auto. Club of S. Cal.*, 142 Cal. App. 4th 1394, 1403 (2006)).

9 Plaintiff alleges that injury from purchasing and consuming the Contested Pizzas  
10 could not have easily been avoided. (FAC ¶ 69, ECF No. 13.) The nutrition facts  
11 panels of all of the Contested Pizzas clearly indicate their TFA content, however.  
12 (MTD Exs. 1-25, ECF No. 20.) Moreover, Plaintiff follows this allegation with a list  
13 of 18 alternative pizza brands and 165 alternative pizza products that do not contain  
14 TFAs. (*Id.* at 14-15, App. B.) She could have avoided her injury by purchasing one of  
15 these TFA-free products instead. Accordingly, the Court finds that Plaintiff's injury  
16 from purchasing and consuming the Contested Pizzas could reasonably have been  
17 avoided, and therefore this Court **GRANTS** Defendants' motion to dismiss this claim.

18 **E. Breach of the Implied Warranty of Merchantability**

19 Under Cal. Com. Code § 2314, “[u]nless excluded or modified ([under] Section  
20 2316), a warranty that the goods shall be merchantable is implied in a contract for their  
21 sale if the seller is a merchant with respect to goods of that kind.” Under Cal. Com.  
22 Code § 2316, however, “[w]hen a buyer before entering into the contract has examined  
23 the goods or the sample model as fully as he desired or has refused to examine the  
24 goods there is no implied warranty with regard to defects which an examination ought  
25 in the circumstances to have revealed to him.”

26 Plaintiff alleges that Defendants, as merchants of food products, breached the  
27 implied warranty of merchantability, because the Contested Pizzas are “not safe for  
28 human consumption,” their ordinary purpose. (FAC ¶¶ 99-100, ECF No. 13.) Yet the

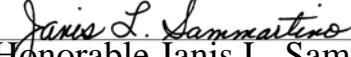
1 Contested Pizzas are clearly labeled as including TFAs per FDA labeling requirements.  
2 (MTD Exs. 1-25, ECF No. 20.) Therefore, Plaintiff had a sufficient opportunity to  
3 examine the Contested Pizzas prior to purchase. Plaintiff, however, has not alleged any  
4 justifications for her failure to inspect the Contested Pizzas before purchasing and  
5 consuming them. Accordingly, Plaintiff has waived her rights under the implied  
6 warranty, and Defendants' motion to dismiss this claim is **GRANTED**.

7 **CONCLUSION**

8 For the foregoing reasons, the Court **GRANTS** Defendants' motion to dismiss.  
9 Plaintiff's first amended complaint is **DISMISSED WITHOUT PREJUDICE**. If  
10 Plaintiff wishes, she **SHALL FILE** an amended complaint within fourteen days of the  
11 date this Order is electronically docketed. Failure to file an amended complaint by this  
12 date may result in dismissal of this case with prejudice.

13 **IT IS SO ORDERED.**

14 DATED: October 1, 2013

15   
Honorable Janis L. Sammartino  
16 United States District Judge

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